Mr. A. Sivarama Menon (*Minister for Rural Development*): This was also the subject of a cut motion, yesterday and then the whole position was explained by me.

BUDGET—NON-SCRUTINY—STANDING FINANCE COMMITTEE.

140. Mr. T. A. Ramachandra Ayyar (*Nellayi*): Will the Government be pleased to state why the budget of this year was not allowed to be scrutinised by the Standing Finance Committee?

Mr. K. P. Kannan Nayar (*Secretary to Government*): Because no Standing Finance Committee was constituted before the Budget Session.

141. Mr. V. K. Krishnankutty (*Ezhuvas-Trichur*): Will the Government be pleased to state:—

(*a*) the number of years which have elapsed since the inauguration of the Legislative Council in the Cochin State;

(*b*) whether there has been any Budget Session which was not preceded by a sitting of the Finance Committee;

(*c*) whether there is not a practice of sending confidential copies of Budgets to the Finance Committee Members?

Mr. K. P. Kannan Nayar (*Secretary to Government*):

(*a*) 13.

(*b*) Yes.

(*c*) Yes.

142. Mr. K. R. Viswambharan (*Ezhuvas-Talappalli*): Will the Government be pleased to state:—

(*a*) whether a Standing Finance Committee as contemplated by the Cochin Legislative Council Rules has been constituted to examine the draft Annual Budget of 1114, M. E;

(*b*) if the answer to (*a*) is in the affirmative, when was it constituted; if in the negative, why was it not constituted?

Mr. K. P. Kannan Nayar (*Secretary to Government*):

(*a*) No.

(*b*) Because the rules referred to in (*a*) came into force only on the 14th July 1938.

Mr. T. A. Ramachandra Ayyar (*Nellayi*): Why was not the Committee formed?

Mr. K. P. Kannan Nayar (*Secretary to Government*): Under the old Act, the Committee was being formed by means

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of issuing a Government Proceedings which would be in effect for the duration of the Council. At that time, there were no rules either in the S. O. or the Legislative Council rules for this purpose. Under the new Constitution Act, rules for the formation of the Standing Finance Committee are incorporated in the Rules themselves. It is also stated that these rules will come into force from 14th July 1938, so that before that date the Standing Finance Committee could not be constituted.

Mr. K. M. Ibrahim (*Cranganur*): With reference to (*b*) to question 141, may I know in which Session this happened?

Mr. K. P. Kannan Nayar (*Secretary to Government*): Budget Session, 1100.

Mr. V. K. Krishnankutty (*Ezhuvas-Trichur*): That was the very first year of the life of the Council and afterwards there was no budget session which was not preceded by a Finance Committee.

Mr. K. P. Kannan Nayar (*Secretary to Government*): Every time after that, the Finance Committee was being constituted at the beginning of the Session itself.

Mr. K. M. Ibrahim (*Cranganur*): The Council has been dissolved many times, and there have been no instances of a budget session without a Standing Finance Committee meeting. Why was this procedure adopted this time?

Mr. K. P. Kannan Nayar (*Secretary to Government*): I have explained already that this was done generally by a Government Proceedings and not under any provision under the Rules. Under the new Act, there are rules for the formation of the Finance Committee and those rules came into force only on the 14th July 1938. Government did not think of issuing the Government Proceedings in the face of the rules in the Act.

Mr. K. M. Ibrahim (*Cranganur*): Even in the absence of the present Rules, this was being done.

Mr. K. P. Kannan Nayar (*Secretary to Government*): I do not think the hon'ble member has understood my answer. It was then done by means of a Government Proceedings and not by any section under the rules, or under Standing Orders.

Mr. V. K. Krishnankutty (*Ezhuvas-Trichur*): Was not that Government Proceedings in force, till the present rules came into force?

Mr. K. P. Kannan Nayar (*Secretary to Government*): With the dissolution of the last Council, the Government order ceased to have any effect.

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Mr. V. K. Krishnankutty (*Ezhuvas-Trichur*): What was the difficulty to issue a new Order until the new Rules came into force?

Mr. President: The more important difficulty was the want of time. We have to give notice for the holding of the Council, a separate meeting before the budget session for the purpose of enabling the members to take their oath and to elect the Standing Finance Committee Members. For all these, before the budget session, we had no time.

JOINT STOCK COMPANIES IN THE STATE.

143. Mr. T. A. Ramachandra Ayyar (*Nellayi*): Will the Government be pleased to state:--

(*a*) the total number of Joint Stock Companies in the State;

(*b*) the names of Companies which have not filed with the Registrar of Joint Stock Companies the report of the general meeting which were to be held in 1112 and 1113;

(*c*) the names of Companies, if any, which have not filed any report or proceedings during the last 3 years?

Mr. K. P. Kannan Nayar (*Secretary to Government*):

(*a*) 219 Companies at the close of 1112.

(*b*) Under the Companies Act, no report of the General Meeting is to be filed with the Registrar.

(*c*) The St. Joseph's Bank, Ltd., Ernakulam.

Mr. T. A. Ramachandra Ayyar (*Nellayi*): Is not the balance-sheet generally filed with the Registrar?

Mr. K. P. Kannan Nayar (*Secretary to Government*): Yes.

Mr. T. A. Ramachandra Ayyar (*Nellayi*): Does not the balance-sheet form part of the proceedings of the general meeting?

Mr. K. P. Kannan Nayar (*Secretary to Government*): I cannot say whether it actually forms part of the proceedings or not. It may form part.

Mr. T. A. Ramachandra Ayyar (*Nellayi*): With reference to (*c*) is this the only bank which has not filed any report during the last 3 years?

Mr. K. P. Kannan Nayar (*Secretary to Government*): So far as the balance-sheet is concerned, that is the only bank.

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